

No. 10896

**FRANCE
and
UNITED ARAB REPUBLIC**

**Payments Agreement (with annex). Signed at Zurich on 22 August
1958**

Authentic text: French.

Registered by France on 31 December 1970.

**FRANCE
et
RÉPUBLIQUE ARABE UNIE**

**Accord de paiement (avec annexe). Signé à Zurich le 22 août
1958**

Texte authentique : français.

Enregistré par la France le 31 décembre 1970.

[TRANSLATION — TRADUCTION]

PAYMENTS AGREEMENT ¹

The Government of the French Republic and the Government of the United Arab Republic have agreed as follows :

Article 1

Payments between the franc area and Egypt shall be effected in francs through "Egyptian foreign accounts" to which the transferability régime described in articles 3 and 4 below shall apply.

Payments between the franc area and Egypt may also, with the agreement of the competent authorities, be effected in other currencies.

Article 2

1. The Bank of France shall open in its books an account in the name of the National Bank of Egypt which shall be designated an Egyptian foreign account.

2. French banks acting as authorized agents may also open Egyptian foreign accounts in the name of the National Bank of Egypt and authorized Egyptian banks, in accordance with the regulations of each of the Contracting Parties.

Article 3

The accounts referred to in article 2 of this Agreement shall be credited with all payments effected with the authorization of the French Exchange Control Office by persons residing or established in the franc area for the account of persons residing or established in Egypt.

These accounts may also be credited with:

1. the proceeds of the sale on the Paris foreign exchange market of Canadian dollars, United States dollars, Mexican pesos or currencies of countries belonging to the European Payments Union which are quoted on the said market;

¹ Came into force on 22 August 1958 by signature, in accordance with article 6.

2. deductions made from available funds in free franc accounts;
3. deductions made from available funds in foreign accounts in francs opened in the name of persons residing:
 - (a) in countries belonging to the European Payments Union;
 - (b) in countries whose franc accounts are governed by a similar régime in respect of the transferability of the franc.

Article 4

The accounts referred to in article 2 shall be debited by all payments effected with the authorization of the competent Egyptian agencies by persons residing or established in Egypt for the account of persons residing or established in the franc area.

Available funds in these accounts may also be used:

1. for the purchase on the Paris foreign exchange market of currencies of countries belonging to the European Payments Union which are quoted on the said market;
2. for the credit of foreign franc accounts opened on behalf of persons residing:
 - (a) in countries belonging to the European Payments Union;
 - (b) in countries whose francs accounts are governed by a similar régime in respect of the transferability of the franc.

Article 5

The payments specified in annex I shall be effected in accordance with this Agreement.

Article 6

This Agreement shall enter into force on the day of its signature. It shall be concluded for a period of three years.

No later than three months prior to its expiry, the two Governments shall jointly determine the future procedures for financial settlements between France and Egypt.

Article 7

Upon the expiry of this Agreement, the following provisions shall be applicable:

(a) Operations concluded prior to the date of the expiry of the Agreement shall continue to be subject to the conditions laid down in the above articles for a period of six months;

(b) Any balance outstanding on the expiry of that period shall be reimbursed by the debtor party in transferable francs, in United States dollars or in any other transferable currency in accordance with the basic rate of exchange of the United States dollar or the official rate of exchange of the other currencies.

Article 8

The Bank of France and the National Bank of Egypt shall determine the technical procedure for implementing this Agreement.

DONE in duplicate at Zurich on 22 August 1958.

For the Government
of the French Republic:

Jean ROBERT
[SEAL]

For the Government
of the United Arab Republic:

Abdel GALEEL EL AMARY
[SEAL]

ANNEX I

List of payments effected under the Payments Agreement:

- (a) payments in respect of the delivery of goods between the two countries;
- (b) port dues, warehousing and storage charges, clearance charges, customs duties and all other incidental expenses connected with goods traffic;
- (c) charges and profits in respect of transit trade;
- (d) commissions, brokerage fees, advertising and representation expenses;
- (e) expenses connected with processing, finishing, assembly, repairs, job-work and all other services;
- (f) insurance and reinsurance (premiums and claims);
- (g) charges of all kinds connected with the transport of goods and passengers by land, air, river or sea effected by one of the Contracting Parties for the other, and with the hiring of means of transport;

- (h) (i) wages, salaries and fees, social insurance contributions and benefits, pensions and annuities deriving from a contract of work, of employment or of hire of services, or in the nature of a public debt;
 - (ii) separation pay up to 5,000 Egyptian pounds per person;
 - (i) rights and fees in respect of patents, licenses and trade marks, copyrights, film exhibition rights, etc;
 - (j) taxes, fines and court costs;
 - (k) periodic settlements between postal, telegraph and telephone administrations and between public transport enterprises;
 - (l) travel expenses, students' fees, hospital expenses, maintenance expenses and alimony;
 - (m) interests and dividends, shares in the profits of companies or partnerships, interest from mortgages or real estate, rents and farm rentals, business profits, pensions and annuities from life insurance policies, and any other periodic return on capital;
 - (n) contractual repayment of debts and reimbursement of short-term credits granted for the financing of commercial and industrial operations;
 - (o) all payments which, by their nature, can be considered equivalent to the categories listed above;
 - (p) any other payments jointly agreed upon by the competent authorities of the two countries.
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